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MAILED

JAN 23 2012

OFFICE OF PETITIONS

In re Patent No.5,971,141
Issue Date: 26 October, 1999
Application No. 09/052,175
Filed: 31 March, 1998
Attorney Docket No. 56733

DECISION ON PETITION

This is a decision on the petition filed on 28 December, 2011, and properly treated as a petition pursuant to 37 C.F.R. §1.378(b)¹ requesting acceptance of payment of a maintenance fee for the above-referenced patent as having been delayed due to unavoidable delay.

NOTE:

Petitioner avers that the unavoidable delay herein was the use of an out-of-date fee schedule that Petitioner previously printed out, and the resultant submission of a less-than-sufficient amount for the third maintenance fee.

However, Petitioner told only part of the story.

The record reflects that:

- Petitioner waited until 25 October, 2011—the day before the expiration of the patent at midnight 26 October, 2011—to submit the third maintenance fee.
- At that time Petitioner submitted not only an insufficient maintenance fee (*i.e.*, \$2,065.00 rather than \$2,365.00), but, also, an insufficient surcharge (*i.e.*, \$65.00 rather than \$75.00).
- Petitioner, thus, effectively acknowledged that he failed to refer to the Office website (www.uspto.gov), and in particular the current fee schedule at the Office

¹ A grantable petition to accept a delayed maintenance fee payment under 37 C.F.R. §1.378(b) must be include
(1) the required maintenance fee set forth in §1.20(e) through (g);
(2) the surcharge set forth in §1.20(l)(1); and
(3) a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

website (<http://www.uspto.gov/web/offices/ac/qs/ope/fee092611.htm>), and with specificity the maintenance fee section of the current fee schedule at the Office website (<http://www.uspto.gov/web/offices/ac/qs/ope/fee092611.htm#maintain>) before submitting the third maintenance fee.

- Petitioner averred that this failure on his part constituted unavoidable delay.
- The petition is accompanied by a statement from Petitioner's administrative assistant, who averred that she used an old fee schedule, rather than the current fee schedule that became effective 26 September, 2011—a month before the patent expired.
- Petitioner averred and complained that “[t]he patent had expired by the time Petitioner learned that an insufficient fee had been paid.”
- Petitioner further averred that “the person making the payment inadvertently picked up and relied upon an incorrect Patent Office fee schedule.”
- The record—based upon papers submitted on petition by Petitioner—reflects that while someone else may have transmitted the papers and fees, Petitioner—who is the one registered to practice before the Office—signed and submitted the payment.

The petition pursuant to 37 C.F.R. §1.378(b) is **DISMISSED**.

If reconsideration of this decision is desired, a petition for reconsideration under 37 C.F.R. §1.378(e) must be filed within TWO (2) MONTHS from the mail date of this decision.

No extension of this 2-month time limit can be granted under 37 C.F.R. §1.136(a) or (b).

A petition for reconsideration **must** be accompanied by the petition fee of \$400.00 as set forth in 37 C.F.R. §1.17(f).

The petition for reconsideration **shall** include an exhaustive attempt to provide the lacking item(s) noted below, since, after a decision on the petition for reconsideration, the Director will undertake no further reconsideration or review of the matter.

This is **not** a final agency action within the meaning of 5 U.S.C. §704.

A petition to accept the delayed payment of a maintenance fee under 35 USC §41(c) and 37 C.F.R. §1.378(b) must be accompanied by:

- (1) an adequate showing that the delay was unavoidable, since reasonable care was taken to ensure that the maintenance fee would be paid timely;*
- (2) payment of the appropriate maintenance fee, unless previously submitted; and*
- (3) payment of the surcharge set forth in 37 C.F.R. §1.20(i)(1).*

The instant petition fails to satisfy requirement (1), listed/described above.

BACKGROUND

Patent No. 5,971,141 (the '141 patent) issued on 26 October, 1999. The third maintenance fee could have been paid during the period from 26 October, 2010, through midnight 26 April, 2011, or, with a surcharge, during the period from 27 April, 2011, through midnight 26 October, 2011. Accordingly, the patent expired after midnight 26 October 2011, for failure to pay timely the third maintenance fee.

The instant petition (with fee) pursuant to 37 C.F.R. §1.378(b) was filed on 28 December, 2011—it is noted that Petitioner could have chosen to submit a petition pursuant to 37 C.F.R. §1.378(c), averring unintentional delay, but apparently chose not to do so.

STATUTE AND REGULATION

The grant of authority at 35 U.S.C. §41(c)(1) provides that:

The Director may accept the payment of any maintenance fee required by subsection (b) of this section...after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.

The regulations 37 C.F.R. §1.378(b)(3) thus set forth that any petition to accept delayed payment of a maintenance fee must include:

A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date, and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly. (Emphasis supplied.)

Out of an abundance of caution, Petitioners always are reminded that those registered to practice and all others who make representations before the Office **must** inquire into the underlying facts of representations made to the Office and support averments with the appropriate documentation—since all owe to the Office the continuing duty of candor and duty to disclose.²

OPINION

The Director may accept late payment of the maintenance fee under 35 U.S.C. §41(c) and 37 C.F.R. §1.378(b) if the delay is shown to the satisfaction of the Director to have been “unavoidable.”³

A late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 U.S.C. §133 because 35 U.S.C. §41(c)(1) uses the identical language, i.e., “unavoidable” delay.⁴ Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.⁵ In addition, decisions on revival are made on a “case-by-case basis, taking all the facts and circumstances into account.”⁶ Finally, a petition to revive an application or reinstate a patent as abandoned or expired due to unavoidable delay cannot be granted where a Petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay.⁷

Petitioner's Contentions as to Unavoidable Delay

Petitioner Dennis H. Lambert (Reg. No. 25,071) sought relief on behalf of the patentee (Office record reflects no assignee data recorded in this matter) pursuant to the regulations at 37 C.F.R. §1.378, averring unavoidable delay.

Patent No. 5,971,141 (the ‘141 patent) issued on 26 October, 1999. The third maintenance fee could have been paid during the period from 26 October, 2010, through midnight 26 April, 2011, or, with a surcharge, during the period from 27 April, 2011, through midnight 26 October, 2011. Accordingly, the patent expired after midnight 26 October 2011, for failure to pay timely the third maintenance fee.

² See supplement of 17 June, 1999. The Patent and Trademark Office is relying on Petitioner's duty of candor and good faith and accepting a statement made by Petitioner. See Changes to Patent Practice and Procedure, 62 Fed. Reg. at 53160 and 53178, 1203 Off. Gaz. Pat. Office at 88 and 103 (responses to comments 64 and 109)(Petitioner obligated under 37 C.F.R. §10.18 to inquire into the underlying facts and circumstances when providing statements to the Patent and Trademark Office).

³ 35 U.S.C. §41(c)(1).

⁴ *Ray v. Lehman*, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995)(quoting *In re Patent No. 4,409,763*, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988)).

⁵ *Ex parte Pratt*, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term “unavoidable” “is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful man in relation to their most important business”); *In re Mattullah*, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912); *Ex parte Henrich*, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913).

⁶ *Smith v. Mossinghoff*, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

⁷ *Haines v. Quigg*, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

The instant petition (with fee) pursuant to 37 C.F.R. §1.378(b) was filed on 28 December, 2011—it is noted that Petitioner could have chosen to submit a petition pursuant to 37 C.F.R. §1.378(c), averring unintentional delay, but apparently chose not to do so.

The sum and substance of the petition is set forth by Petitioner and in the statement of his administrative assistant Christine A. Lambert (Ms. Lambert). There Petitioner contends that:

- Petitioner submitted on 25 October, 2011—the day before the expiration of the patent at midnight 26 October, 2011—the third maintenance fee.⁸
- At that time Petitioner submitted not only an insufficient maintenance fee (*i.e.*, \$2,065.00 rather than \$2,365.00),⁹ but, also, an insufficient surcharge (*i.e.*, \$65.00 rather than \$75.00).¹⁰
- Petitioner, thus, effectively acknowledged that he failed to refer to the Office website (www.uspto.gov), and in particular the current fee schedule at the Office website (<http://www.uspto.gov/web/offices/ac/qs/ope/fee092611.htm>), and with specificity the maintenance fee section of the current fee schedule at the Office website (<http://www.uspto.gov/web/offices/ac/qs/ope/fee092611.htm#maintain>) before submitting the third maintenance fee.¹¹
- Petitioner averred that this failure on his part constituted unavoidable delay.
- The petition is accompanied by a statement from Petitioner's administrative assistant, who averred that she used an old fee schedule, rather than the current fee schedule that became effective 26 September, 2011—a month before the patent expired.¹²
- Petitioner averred and complained that “[t]he patent had expired by the time Petitioner learned that an insufficient fee had been paid.”¹³
- Petitioner further averred that “the person making the payment inadvertently picked up and relied upon an incorrect Patent Office fee schedule.”¹⁴
- The record—based upon papers submitted on petition by Petitioner—reflects that someone else may have transmitted the papers and fees, Petitioner signed and submitted the payment.¹⁵

⁸ Petition of 28 December, 2011, at page 1-2, and the statement of Ms. Lambert, at page 1-2.

⁹ Petition of 28 December, 2011, at page 1-2, and the statement of Ms. Lambert, at page 1-2.

¹⁰ Neither the petition nor the statement reflect this fact.

¹¹ Petition of 28 December, 2011, at page 1-2, and the statement of Ms. Lambert, at page 1-2.

¹² The statement of Ms. Lambert, at page 1-2.

¹³ Petition of 28 December, 2011, at page 1-2, and affirmed by the statement of Ms. Lambert, at page 1-2.

¹⁴ Petition of 28 December, 2011, at page 1-2, and affirmed by the statement of Ms. Lambert, at page 1-2.

¹⁵ The copy of the Maintenance Fee Transmittal Form submitted as an attachment to the petition.

Thus, the record reflects that the instant matter is not one of a docketing or calendaring problem—but rather the failure of Petitioner to attend to changes made by the Office a month earlier and announced long before that. (There is no showing that the docketing/calendaring of maintenance fees for the instant matter was improperly performed. Thus, there is no showing of a failure that was systemic—such as that which occurs when a computer or computer program fails.)

The error was of a not-unfamiliar form: plain human error, which is a delay that is not unavoidable but unintentional—however such a consideration is not before the Office.

In any case, such facts as have been recited do not suggest diligence—at least a level of diligence as required herein—on the part of those who were supposed to attend to this matter.

The provisions of 35 U.S.C. §41(c)(1) do not require an affirmative finding that the delay was avoidable, but only an explanation as to why the Petitioner has failed to carry his or her burden to establish that the delay was unavoidable.¹⁶ The provisions of 35 U.S.C. §133 do not require the Commissioner to affirmatively find that the delay was avoidable, but only to explain why the applicant's petition was unavailing.

Petitioner is reminded that it is the patentee's/assignee's burden under the statutes and regulations to make a showing to the satisfaction of the Director that the delay in payment of a maintenance fee is unavoidable.¹⁷

This the Petitioner and/ or patentee has/have not done.

At bottom, the question is one of diligence.¹⁸

Because 35 U.S.C. § 41(b) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 USC § 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees.¹⁹ That is, an adequate showing that the delay in payment of the maintenance fee at issue was "unavoidable" within the meaning of 35 U.S.C. § 41(c) and 37 C.F.R. §1.378(b)(3) requires a showing of the steps taken by the responsible party to ensure the timely payment of the third/last maintenance fee for this patent.²⁰ There are three periods to be considered during the evaluation of a petition under 37 C.F.R. §1.378(b):

¹⁶ See *Commissariat A. L'Energie Atomique v. Watson*, 274 F.2d 594, 597, 124 USPQ 126, 128 (D.C. Cir. 1960).

¹⁷ See *Rydeen v. Quigg*, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), aff'd 937 F.2d 623 (Fed. Cir. 1991)(table), cert. denied, 502 U.S. 1075 (1992); *Ray v. Lehman*, *supra*.

¹⁸ See: *Changes to Patent Practice and Procedure; Final Rule Notice*, 62 Fed. Reg. at 53158-59 (October 10, 1997), 1203 Off. Gaz. Pat. Office at 86-87 (October 21, 1997). See also: *Ray v. Lehman*, *supra*.

¹⁹ *Ray*, 55 F.3d at 609, 34 USPQ2d at 1788.

²⁰ *Id.*

- (1) The delay in reply that originally resulted in expiration;
- (2) The delay in filing an initial petition pursuant to §1.378(b) to reinstate the patent; and
- (3) The delay in filing a grantable petition pursuant to §1.378(b) to reinstate the patent.²¹

At the outset and as of this writing, the showing is not persuasive with regards to the nature of the delay in reply that originally resulted in expiration or as to the filing of the initial petition (Items 1 and 2), which are the periods pertinent at this time.

Petitioner must provide documentary foundations in support of a showing of unavoidable delay.

Thus, at this writing the statements and papers presented in/with the petition fail to satisfy the showing required to establish unavoidable delay within the meaning of 37 C.F.R. §1.378(b).

A showing of diligence in matters before the Office is essential to support a finding of unavoidable delay herein.²² There is no “sliding scale” based upon the priority given to this maintaining this patent in force, or more diligently seeking reinstatement, *vis-a-vis* other matters by Petitioner. The issue is solely whether the maintenance, or reinstatement, of the patent at issue was actually conducted with the care or diligence that is generally used and observed by prudent and careful persons in relation to their most important business.

At this writing the record fails to adequately evidence the exercise of due care and diligence observed by prudent and careful persons, in relation to their most important business, which is necessary to establish unavoidable delay.²³

The record at this writing does not provide a clear showing that reasonable steps were taken to ensure timely payment of the maintenance fee. In fact, the record indicates that no steps were taken by Patentee(s) and/or Assignee to ensure timely payment of the maintenance fee.

The provisions of 37 C.F.R. §1.378(b) preclude acceptance of the delayed payment of the maintenance fee due to unavoidable delay. The regulations at 37 C.F.R. §1.378(b)(3) state that any petition to accept delayed payment of a maintenance fee must include:

A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date, and the manner in which

²¹ See Changes to Patent Practice and Procedure; Final Rule Notice, 62 Fed. Reg. 53131 at 53158 (October 10, 1997).

²² See *Futures Technology, Ltd. v. Quigg*, 684 F. Supp. 430, 431, 7 USPQ2d 1588 (E.D. Va. 1988)(applicant's diligent inquiry into the status of the application is required to show unavoidable delay); *Douglas v. Manbeck*, 21 USPQ2d 1697, 1699-1700 (E.D. Pa. 1991), *aff'd*, 975 F.2d 869, 24 USPQ2d 1318 (Fed. Cir. 1992) (even representation by counsel does not relieve the applicant from his obligation to exercise diligence before the USPTO: applicant's lack of diligence extending two and one half years overcame and superseded any omissions by his counsel).

²³ *Pratt, supra*.

patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

In any future filing, this showing should include, but is not limited to, docket records, tickler reports, and file jacket entries for this application, and documents regarding the alleged cause of the delay and copies of any documents referred to in Petitioner's statement as to the cause of the unavoidable delay are required. All the causes which contributed to the failure to timely pay the maintenance fee must be presented and supported with appropriate evidence.²⁴ (In general, a Petitioner should identify the party(ies) responsible for making the payment: A showing must be made (with supporting documents) outlining the efforts made to ensure timely payment of the maintenance fee--including scheduling and calendaring information, appointment of an individual with the authority and responsibility to pay the fee, and detailing of the causes for a failure in that process.)

Thus, as of this writing, the Office is unable to grant the relief sought.

In summary, the showing of record has been considered, but does not rise to the level of unavoidable delay. Rather, the showing of record is of possible a lack of diligence. (See: http://www.uspto.gov/web/offices/pac/mipep/documents/2500_2590.htm#sect2590)

CONCLUSION

For the reasons stated above, the delay in this case cannot be regarded as unavoidable within the meaning of 35 U.S.C. §41(c)(1) and 37 C.F.R. §1.378(b).

Accordingly, the petition under 37 C.F.R. §1.378(b) is dismissed.

Further correspondence with respect to this matter should be addressed as follows:

By Mail: Mail Stop PETITION
 Commissioner for Patents
 P. O. Box 1450
 Alexandria, VA 22313-1450

By hand: U. S. Patent and Trademark Office
 Customer Service Window, Mail Stop Petitions
 Randolph Building
 401 Dulany Street
 Alexandria, VA 22314

²⁴ The showing must also enumerate the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly. Statements from all persons who contributed to the delay are also required.

By facsimile: **(571) 273-8300**
Attn: Office of Petitions

Telephone inquiries regarding this decision may be directed to the undersigned at (571) 272-3214—it is noted, however, that all practice before the Office is in writing (see: 37 C.F.R. §1.2²⁵) and the proper authority for action on any matter in this regard are the statutes (35 U.S.C.), regulations (37 C.F.R.) and the commentary on policy (MPEP). Therefore, no telephone discussion may be controlling or considered authority for Petitioner's action(s).



/John J. Gillon, Jr./
John J. Gillon, Jr.
Senior Attorney
Office of Petitions

²⁵ The regulations at 37 C.F.R. §1.2 provide:

§1.2 Business to be transacted in writing.

All business with the Patent and Trademark Office should be transacted in writing. The personal attendance of Petitioners or their attorneys or agents at the Patent and Trademark Office is unnecessary. The action of the Patent and Trademark Office will be based exclusively on the written record in the Office. No attention will be paid to any alleged oral promise, stipulation, or understanding in relation to which there is disagreement or doubt.